SINCE 1959

FORESTVILLE

– RSL CLUB –

Forestville RSL Redevelopment Frequently Asked Questions (FAQs)[1]

DECISION TO REDEVELOP

Why is the Club seeking to redevelop?

The Club is proposing to redevelop for the following reasons:

- **Income Diversification**: The Board and Management have recognised the urgent need to diversify our income sources in order to have less reliance on gaming revenue which currently contributes a significant portion of the Club's income. We need to be aware of the potential impact of tighter gaming regulations – and the fact that a 25% drop of gaming revenue would result in ongoing trading losses which would threaten the future viability of the Club. We believe that a retirement living village provides the club with the best opportunity to deliver ongoing revenue (which may in future substitute gaming revenue) while also providing a valuable and much-needed community service. The club needs to act now as our financial modelling has demonstrated that it will take at least 7 years for the retirement village to start contributing significant ongoing income and profit to the club, while a 25% reduction in gaming revenue could occur at any time.

- **Future Viability**: For the Club to continue to fulfill its constitutional objectives and provide a social club for the enjoyment of members and guests we need to use the same

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foresight our founders applied 66 years ago to ensure the Club's ongoing financial wellbeing and protect member's current and future interests. By acting now, the Club can fund the project itself without the need to sell its land (as many other clubs have done), involve developers in the project or amalgamate with other clubs and give up local control (as Harbord Diggers had to do with Mounties).

- **Ageing Infrastructure**: Like many Clubs, the Forestville RSL Club has undergone many renovations since it was first built in 1959, but these multiple "add-ons" are no longer fit for purpose and require expensive repairs and maintenance.

- **Meeting Needs**: Our Club needs to evolve to cater to the changing needs of our members and guests. When we asked Club members what facilities they would like enhanced they told us new food offerings, a new kids play area, a better outdoor area and additional live music and shows were a high priority. In response, we're proposing safe purpose-built kids play areas, extensive alfresco dining areas, varied menus and a number of adaptable function areas in the new Club.

- **Continue & Grow Community Support**: We've provided more than $2 million in cash and in-kind support to local community groups in the past decade. We would like to continue to be able to provide this community support and where we can, do much more. Growing this local, community support involves securing and strengthening our profitability with recurring income from the proposed retirement living village.

DEVELOPMENT APPLICATION (DA)

Has the Development Application been submitted?

Yes, the DA for the redevelopment was submitted in October 2024

What is the DA process?

For a development of the size and scale contemplated in our proposal, the DA process is quite complex. The initial submission document runs to hundreds of pages and includes reports and plans from approximately 20 separate experts.

Once submitted the application is notified in accordance with Council's Community Participation Plan and referrals made to internal and external government departments for comment. The application is also presented to the Northern Beaches Design and Sustainability Advisory Panel (DSAP) for comment.

Once the initial assessment process is complete, Council will invariably issue a request for information (RFI) outlining any issues identified during the initial assessment for consideration and response by the proponent. Once a response is received the assessment is completed by Council and a report and recommendation finalised.

Given the Capital Investment Value (CIV) of the proposal it is deemed a regionally significant development with the Sydney North Planning Panel the consent authority for the application.

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What is the current status of the DA?

The DA remains with Council as they consider our application. The process thus far has been as expected, and tracks the path advised by our very experienced and knowledgeable Redevelopment Team.

What feedback has the Club received from the council?

There have been a number of meetings held with Council as we work through the issues they have raised, the most recent being a very productive meeting involving the Club's Redevelopment Team. This was an extremely beneficial meeting with the representatives from both sides providing supportive and helpful input to the DA itself.

The Club's Redevelopment Team has also attended a briefing of the Sydney North Planning Panel where the proposal was introduced and Council and our team encouraged to resolve any issues raised during Councils assessment to date.

There has also been correspondence from Council seeking additional information, or clarification, regarding certain aspects of the DA. This is all part of the normal approval process.

What is the club's response to feedback received from the council?

The Club has responded in a timely manner to all of Council's requests and will continue to do so. Some requests have required further external expert input which has been actioned.

What are the next steps in the DA process?

As a result of our most recent feedback from Council, the Club is working on some design refinements. Once these changes are made, we will go back to Council and continue to move forward.

When is the Club expecting to hear if the DA has been approved?

In the original planning, the Club expected a final decision regarding the DA by the third Quarter of 2025. At this stage, we remain optimistic regarding this timing.

PROPOSED NEW CLUB AND RETIREMENT VILLAGE DESIGN

Plans

Where can I find the redevelopment plans?

A direct link to the DA plans that were submitted by the Club in October was included in the October 2024 Heart of Forestville Update which was distributed via email to our members and published on the website. They can be accessed clicking here.

Will the redevelopment plans change?

As the Club receives feedback, including requests and suggestions for improvement from the Northern Beaches Council, we will revise the plans and continue to work constructively with Council to achieve the best outcome for the club. This is the normal DA process.

Is there a hard-copy of the DA plans currently available at the Forestville RSL Club?

The project team is currently revising the plans in response to feedback received from the Council. When the revised DA plans have been submitted to the Council, the Club will have a copy of the plans on display for the information of Members and their guests. In addition, there is a fly-through, artists impression video currently available to view in the Club which provides an overview of the proposed design.

What is included in the proposed redevelopment?

The redevelopment proposes to build a brand new, single level Club with a range of entertainment, dining and function spaces, Office space for the sub-Branch (which will be designed in consultation with the sub-Branch) and a boutique retirement living community of approximately 55 apartments. All developments of this scale make design refinements during the DA process and often several modifications after DA approval.

How will the redevelopment be staged?

The proposed staging is outlined below:

Stage 1:

Build: New club facilities, 16 retirement living independent living units (ILUs), 132 underground car parks and the delivery/services/vehicular entry.

Operate: Importantly, the existing club will continue to operate, alongside the existing on-grade parking during this stage until the new club is ready to be occupied

Stage 2:

Build: Three new, three-level ILU buildings, with 39 ILUs and amenities and 66 car parks

Demolish: Existing club facilities and on-grade parking as it will have been replaced with new club facilities and parking

Club Design

What facilities are proposed in the new club facilities?

The new club facilities will include:

- Meeting and function spaces suited to family/events/parties
- A number of purpose-built kids play areas
- Various food offerings include a café, restaurant, bar food, traditional pub food and bistro
- Multiple lounge areas, suitable for quiet and busier groups
- Numerous bar areas including sports and gaming areas
- Configurable Function spaces
- Covered parking with lift access into the heart of the Club
- Staffed entry point
- RSL displays and branch office

Will the new club facilities cater to families?

Yes, the new club facilities will continue to welcome families and ensure they continue to enjoy our facilities. We have created more user-friendly spaces of differing sizes able to cater easily for families and groups. Unfortunately, due to the large space required and the financial priorities of the club, it was not financially viable for the club to incorporate Pickets.

It's important to remember that Pickets was a temporary initiative on existing bowling greens and the club site adjoins 19.6ha of dedicated open space which is available to be enjoyed.

What will the new club facilities look like?

While the internal layout and design of the Club has not yet been finalised, the fly-through video on display in the Club provides an artist's impression of how the spaces are expected to look. The club has been thrilled with the positive feedback we have received from members to date about the proposed appearance of the new club facilities. The initial layout will continue to evolve, but the updated plans (following council feedback) will be available on the Heart of Forestville website once they are submitted to council.

Are the new club facilities smaller than the existing club facilities?

Yes, there is a lot of rarely used space in the existing Club on the upper floor. The proposed Club floor area is very similar to the existing Club ground floor area.

Will there be more space allocated to gaming machines in the new club design?

No, the gaming machine space in the proposed design is less than in the existing club space and could be repurposed in the future to be utilised for other purposes if the number of machines is further reduced. The number of gaming machines in the Club continues to reduce from 148 to 91 machines over the last 6 years and one of the main reasons for the new development is to reduce the club's heavy reliance on gaming revenue.

Community Impact

What are the likely impacts during the redevelopment for the community?

The Club will continue operating without interruption throughout the project. Similar to any renovation or building project, the redevelopment may cause some temporary disruptions during construction but will be carefully planned by our expert team to address any potential concerns.

What are the expected outcomes of the redevelopment for the community?

We believe that the redevelopment will significantly improve the Forestville community by further revitalising the local area, boosting social interaction and connection, supporting seniors in the community and providing new and improved amenities. This will generate additional and diversified income for the club, foster local economic activity, and enhance the overall quality of life for our local residents, our members and their guests.

Will the retirement community impact on the nearby park?

During the DA assessment process the Northern Beaches Council and Regional panel will be responsible for assessing the plans to ensure the retirement community design is suitable for neighbouring properties and amenities including the adjoining park and surrounding residences. It's worth noting that there are no residential neighbours on three sides of the club's land.

Is it likely that parking in the area will be impacted?

One of the very positive features of the redevelopment is the inclusion of 198 new car parking spaces. This includes 99 undercover spaces for club visitors and 99 spaces allocated to the retirement village. Together, they will make parking at the club a much more pleasurable experience.

RSL SUB-BRANCH

Is the RSL sub-Branch supportive of the redevelopment plans?

Yes, the Forestville RSL sub-Branch Committee and members are supportive of the Club redevelopment plans. sub-Branch Committee President, Bob Lunnon, spoke at the December 2024 Information Session on behalf of the sub-Branch.

Where will the RSL sub-Branch office be located?

The RSL sub-Branch office will be included in the new Club in a location yet to be determined, in consultation with the sub-Branch.

Where will commemorative services including ANZAC Day and Remembrance Day be held during construction?

While the new Club is being built, ANZAC Sunday, ANZAC Day and Remembrance Day commemorative services will continue to be held at the Cenotaph in its current location, including the existing Club car park.

Where will the Cenotaph be located on completion of the project?

The Forestville RSL sub-Branch, as Custodian of the Cenotaph and Memorial Garden, is in discussions with Northern Beaches Council to

relocate the Cenotaph to a site adjacent to the northern end of the Anzac Memorial Pathway in the Forestville War Memorial Playing Fields. This was unanimously supported by Forestville RSL sub-Branch members at a General Meeting on 5th February 2025. The project has the written support of RSL NSW in achieving this outcome. It is intended that the Cenotaph will be in place by the completion of the new Club, after which Anzac Sunday, Anzac Day and Remembrance Day commemorative services will be held at the Cenotaph in its new location, including the adjacent car park.

REDEVELOPMENT TEAM

Who is involved in working with the Forestville RSL Club on the redevelopment?

Following a rigorous, competitive selection process, the Forestville RSL Club Board engaged a formidable and knowledgeable team to assist us in ensuring the best outcome possible for the future financial security of our Club. The team includes:

Town Planning – Greg Boston, Boston Blyth Fleming Town Planning

Project Management - Michael Briscas, Construction Management Services

Architect – Peter Hosking, Quattro Architecture

Seniors Living Consultants – Cameron Kirby & Jen Berryman, Chanje Partners

DA SUBMISSION CLUB PROCESS

What process has the Club undergone during the DA Submission?

The Club sought independent advice from two legal companies, experienced in NSW Club matters to guide them on the DA process. They advised that under the Club's constitution, the Board of Directors are responsible for formulating and executing the club's strategy to protect the club's future and remain solvent. This advice also confirmed that the Board have the authority to submit the DA.

Section 41(E) of the Registered Clubs Act contains guidelines on the procedures when a Club seeks to dispose of 'core property'. All of the land the club currently occupies is designated 'core property'.

As the Club will be leasing the ILU properties to residents it will continue to own all land and buildings on the current club site.

Will members have the opportunity to vote on the proposed redevelopment?

Yes, depending on the progress of the DA, in the first half of 2025 your Board will call a General Meeting at which your support for this important, proposed redevelopment will be sought. In accordance with our Club's Constitution only members in attendance at that meeting may vote on the proposed redevelopment, which is essential to ensure the future of our Club.

It is important that members make informed decisions based on accurate information which will be provided by the Club.

Has the Forestville RSL Club been the subject of a NSW Liquor & Gaming (L&G) enquiry regarding alleged breaches of the Registered Clubs Act (1976)?

Yes, a vexatious and unfounded complaint was made in December 2024 which alleged the Forestville RSL Club had breached the Registered Clubs Act (1976). NSW Liquor & Gaming investigated the complaint and advised on 20th February that "no further action be taken", confirming the club had acted in accordance with the Registered Clubs Act at all times, particularly in relation to our redevelopment proposal.

Unfortunately, legally defending this unfounded complaint resulted in a substantial drain on the club's time, money and resources. As always, we encourage our Members and the local community to ask any questions that they may have, to ensure they have the correct and current facts relating to the redevelopment and not listen to or act on rumours, lies and falsehoods which we are aware are being communicated by a small group opposed to the redevelopment.

FORESTVILLE RSL BOARD

What experience does the Forestville RSL Club's Board have that is relevant to the oversight and management of the redevelopment?

The Board of the Forestville RSL Club have elected a Redevelopment Sub-committee based on the expertise they provide relevant to the redevelopment of the project. A biography outlining each Sub-committee members expertise and experience is available by clicking here.

Will members of the Board be able to buy independent living units?

No senior staff member or club member who has been a Director of the Club Ltd. since the commencement of the process to build ILUs (2021) on the site of the Forestville RSL Club, will be able to purchase an ILU until all units have been sold and at least one has been resold. For the avoidance of doubt, that is, all units sold on release.

Is there a register of Directors/Board Members interests?

On first joining the Board of Directors, and annually thereafter, all Board members are required to fully disclose any conflicts of interest they have. This information is recorded on a template document provided by NSW Liquor & Gaming. The disclosure of any conflicts of interest is also a standing Agenda item at every Club Board Meeting.

FINANCIAL

How does the Club propose to fund the redevelopment?

The Club will retain full ownership of all land and buildings. The redevelopment will be bank-funded through construction with interest capitalized until the ILUs leases are sold. The lease sales of the ILUs (under the standard loan/lease arrangement) will fully fund the new Club facility and the retirement community, resulting in a development profit to the club after fully repaying all debt.

Will there be ongoing revenue from the retirement community to the Club?

Yes, the proposed retirement community will deliver high-quality and in-demand seniors living apartments that are well-located, connected to amenities, and provide a vital option for locals seeking to downsize in the area. The deferred management fee (or exit fee), together with the capital gain arrangement, will deliver the club much needed ongoing diversified revenue to secure the Club's future and reduce the current reliance on gaming revenue.

What is the financial model of a retirement village?

The financial model of a retirement village includes a buy-in price, ongoing monthly fees, deferred management fee and capital gain.

Have other Clubs redeveloped with a retirement community?

Yes, the Dee Why RSL Club (by the club itself), Harbord Diggers (by amalgamated Mounties Group), Willoughby Legion Club (in joint venture with Hyecorp Developers) and Chatswood Golf Club (in a joint venture with Watermark and Pariter) are a few other recent local examples of Clubs taking a similar approach in supporting their long-term success by developing seniors living communities. Retirement villages have been identified by many Clubs as the perfect option to diversify income, provide a much-needed community service and secure their future.

Dee Why Master Builders Club has also flagged redeveloping their current club site and incorporating home units.

What risks has the Club identified and how are these being mitigated?

The Club has conducted a risk assessment and consulted widely with many experts in the field, as well as other clubs that have already developed retirement villages. Some risks identified include:

- Design
- Project Financial Feasibility (does it stack-up)
- DA management and approval (and conditions)
- Bank selection and support to fund the project including offer, cost, preconditions, agreements, bank covenants and repayment
- Builder selection, which also needs to be approved by the bank
- Construction management including quality, cost escalation and timelines, and defect management
- Achieving pre-sale targets
- Managing market conditions
- Achieving expected sale prices
- Retirement village planning, industry requirements and operations
- Impact on trading through construction.

The Club has and will continue to actively work to manage and mitigate these risks. This has included selecting the following consultants through a competitive process all of which included at least three final firms competing for the appointment. The following consultants were selected by the Board. A biography on each consultancy is available by clicking here:

- Project & Development Management – CMS Pty Limited
- Architect – Quattro Architecture

- Town Planner –-Boston Blyth Fleming Town Planners
- Retirement village expertise (including Bank Negotiation, Sales, Marketing and Operations advice – Chanje Partners
- Bank – Two of the major banks have issued letters of offer to fully fund the project and the Club is also approaching another major bank to provide a third offer
- Builder – We have not yet progressed to builder selection, however any builder is required to be approved by our chosen bank and to work to a 'fixed price' contract

In addition to these consultants, the Board has engaged:

- Russell Corporate Advisory (a club and hospitality expert) to provide the Board with advice and financial modelling on the Club's project options
- Thomson Geer as the club's legal advisor as Club and retirement village legal experts

Who is at risk with the redevelopment?

While the club has been approached by developers in the past, the Board would prefer to retain ownership of its land and control of any business operating on its land. Therefore, subject to the support of our members, the Board has decided to undertake the development itself surrounded by a very experienced development team.

As a result, the Forestville RSL Club Limited is ultimately taking the development risk, construction risk and sales risk. This also means that all development and future operational profits are retained by the Club.

As outlined in the previous question, the Club is looking to manage and mitigate this risk by:

Development Risk: appointing highly experienced Town Planners, Project & Development Managers and Architects who have undertaken similar projects in the past;

Construction Risk: at the appropriate time, it will run a competitive tender process and enter into a Design & Construct (D&C) contract at a fixed price with its preferred builder, to also be approved by our bank; and

Sales Risk: it has appointed Chanje Partners, who are very experienced industry sales and marketing agents as sales agents to be paid commission on a success basis. Chanje have been involved in a number of similar projects in the area including Hyegrove Willoughby.

The Club is a company limited by guarantee and is without share capital. In accordance with the Constitution of the company (Clauses 12, 13 and 14), the limit of a members liability is $5 per member in the event of the winding up of the company.